

*Answer**File Admin Budget Request*MEMORANDUM TO: Group Chief *C/AG*FROM: 

Chief, Analysis Group

SUBJECT: Congressional Questions

Attached are Congressional questions for answer by your Directorate. The answers are due to AnG by 29 March 1985. This set of questions will be titled HAC Questions for the Record. Also attached is a sample format for use by your Directorate or Group in preparing the answers.

Each numbered question and its answer should be typed on a separate page. As shown on the attached sample format, each page should be headed by title and date. The title and date for this set of questions are

HAC Questions for the Record  
3 April 1985

If the numbered questions are subdivided, e.g., 1.A, 1.B., 1.C., the answers to these subparts may appear on the same page(s) as the numbered question or on separate pages. If you answer these subparts on separate pages, however, you should again follow the sample format and ensure that each page is headed by the correct title and date.

If your Directorate is preparing these answers on a word processing system compatible with the system in the Comptroller's Office, the discs containing your questions and answers should accompany the written material.

You should ensure that the responses to all questions are properly classified.

Please provide AnG with the original and a copy of all written material.

We would appreciate receiving your responses to these questions as they are completed; you do not need to wait until you have the entire set before passing the answers to us. If you are aware that any answers will not be forthcoming within the above deadline, please let us know.

is the AnG staffer responsible for coordinating all questions and answers in this set. You should provide your answers directly to him/her. Also, the AnG secretary will maintain a log on the questions and answers and will be prepared to answer any queries about their status in the review process.

CONFIDENTIAL

25X1

SECRET

**Impact of Proposed Retirement Changes on  
Intelligence Personnel**

Mr. McMahon, the Administration has proposed a number of sweeping changes in the retirement system.

25X1

1. What indication have you had as to the effect these changes, if implemented, will have on employee morale?

25X1

2. What will be the impact on CIARDS (CIA Retirement and Disability System)?

DDA

> CIA

25X1

3. Do you anticipate these changes will have a disadvantageous effect on recruitment and retention?

DDA

> CIA

25X1

SECRET

- 13 -

The Central Intelligence Agency supports OPM draft bill "to amend Title 5 United States Code to reform the Civil Service Retirement System, and for other purposes" with one exception, that portion calling for reduction in annuities payable before age 65. Our concern is that this portion, if applied to Central Intelligence, will force employees to work longer in order to earn full retirement annuity and directly impact on the Agency's ability to perform its critical mission. These comments apply to Central Intelligence Agency employees covered both by the Civil Service Retirement Act and the limited number who qualify for the Agency special retirement system.

As far back as 1959, CIA established a policy which encouraged employees to retire at ages substantially earlier than elsewhere in the Federal Government. The policy was established for several reasons: to recognize those aspects of Agency employment where individuals serve anonymously under conditions involving personal sacrifice, stress, and often danger; to maintain a rigorous and productive work-force which is fully and quickly responsive to the Nation's intelligence needs; and to ensure an effective career development program which provides and manages advancement to positions of increasing responsibility. That retirement policy--which has served the Agency exceedingly well these past 24 years--remains an integral part of the Agency's personnel management system. It helps maintain the extremely high level of performance required by CIA's mission and responsibilities by providing the attrition necessary for both career development and recruitment of new employees.

Lengthening the service of Agency employees by as much as ten years would seriously impair the ability of Agency management to move promising individuals up through the ranks. Our mid-career personnel would be hardest hit by the retirement age increase and annuity reduction proposals, and we cannot run the risk that many might choose to leave now rather than face the consequences of these changes.

The Central Intelligence Agency fully supports the efforts to cut the cost of government. The retirement age increase and annuity reduction proposal, however, will make it exceedingly difficult for us to manage the CIA and to contribute further to the government efforts to revitalize and enhance the intelligence capability and production. We, therefore, request an exemption for CIA from the retirement age increase and the annuity reduction proposed in the attached draft legislation similar to that provided for law enforcement officers, fire fighters and air traffic controllers.